

30 June 1952

MEMORANDUM FOR: CHIEF, SE DIVISION

SUBJECT: Monthly Report of Activities of SE/PO-1

1. The following June activities of this branch were of special interest:

- a. Continued progress in mounting the 1952 operational program
- b. Sale of the H/V Juntas
2. With respect to agent operations the most noteworthy development was the infiltration of three members of the seven man Zogist Team from North Central Albania. Preliminary debriefing reports are encouraging in that we are advised that the team remains operative and has already made contact with 12 Albanians including an Army officer. However, the report points out certain obstacles which deter development of agent teams to the full extent of their capabilities, namely: The food shortage in Albania and the handicap imposed on our agents by our inability to provide them with Albanian currency. These chronic problems have plagued our agents in the past and will not be solved until we can regularly resupply our teams and either develop a reliable source for Albanian Lek or develop other means of providing the required amounts. Other agent operations of significance include the infiltration of a three man team into the Korcha area whose mission is establishment of an information gathering network to provide material for clandestine radio broadcasts and the infiltration by one of our RHYTHM agent attached to a British-trained team into the Valona area on 24 June.

3. For the past eight months disposal of the H/V Juntas has been a pressing problem to the [] station. Found to be unsatisfactory as a broadcasting vessel and unsuitable for any present other use within the Agency, efforts to sell the vessel in Greece began in the last quarter of 1951. Though interested purchasers have been difficult to locate and bids still harder to obtain, an acceptable offer of \$25,000. was made during this month by the Worldwide Steamship Company of Montevideo and, as a preliminary contract has already been signed, all indications point to imminent disposal of the vessel.

4. On the political scene two developments are worth highlighting in this report.

a. The reorganization and broadening of MIRA, long believed a desirable step, moved closer to realization as SIS agreed to the

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composition of a reconstituted committee as proposed by the BOPIEND Rome representative. Having established a solid front on this matter, an effort to effect the broadening will be made during the next two months.

b. As reported at length in the attached report, negotiations between representatives of Zog and Tito, scheduled to have been held in Turkey during the month, did not materialize, reportedly due to an intransigent attitude on the part of the Yugoslavs towards the members of the Zogist mission.

5. Though it is impossible to draw any conclusions at this time, the very fact that the Yugoslavs have evidenced a limited willingness to permit U. S. sponsored agent operations to be mounted from Yugoslav soil is a development which may prove of tremendous significance to the execution of the BOPIEND mission and as such should be mentioned in this report.

Attachment: 2 (Project Reports)

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MONTHLY PROJECT STATUS REPORT
FOR MONTH OF
JUNE 1952

1. CRYPTONYM ECOWIND	2. DIVISION OR BRANCH SE PC-1	3. COUNTRY(S) ALBANIA	4. ESTIMATED COMPLETION	
			PERCENT	DATE
5. PLAN <input checked="" type="checkbox"/> POLITICAL <input checked="" type="checkbox"/> ECONOMIC <input checked="" type="checkbox"/> PARAMILITARY <input checked="" type="checkbox"/> SUPPORT				
6. FINANCIAL MECHANISM <input checked="" type="checkbox"/> DIRECT <input type="checkbox"/> SUBSIDY <input type="checkbox"/> PROPRIETARY <input type="checkbox"/> PURCHASE OF SERVICES				
7. PHASE <input type="checkbox"/> PLANNING <input checked="" type="checkbox"/> OPERATIONAL <input type="checkbox"/> LIQUIDATING <input type="checkbox"/> TERMINATED				
8. FUNDING				
FY ALLOTMENTS TOTAL TO DATE	OBLIGATIONS CURRENT MONTH	FY OBLIGATIONS CUMUL. TO DATE	UNOBLIGATED BALANCE	
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9. NAME OF CASE OFFICER IC)	ROOM NO. J 1315	EXTENSION 671	SIGNATURE	

10. FACTS, EVALUATION AND COMMENT: (Use additional plain sheet if necessary)

A. Mission

See Sections II and III, Part II of the "Country Plan for Albania" for a discussion of the cold war missions and tasks.

B. Accomplishments

(1) Paramilitary

a. On 3 June the third W/T contact was made with the 7-man Zogist team which infiltrated into Albania on 1 May. The team reported its position in the Mati Region and gave a negative reply to our control danger signal. Although W/T contact was made with the team they were unable to reach the prearranged supply point so no resupply food drop was made. On 15 June three members of this team, one a guide, infiltrated to Greece on orders of the team leader because of the difficult food situation in Albania. A preliminary debriefing, reported by cable, was encouraging and indicated that the team had been successful in making a number of contacts, including our Army officers. A complete report of the full debriefing will be forwarded by pouch. A detailed report on the infiltration of this team shows this team was composed of 7 members, not 5 as reported in May.

b. On 14 June a three-man team crossed the Greek-Albanian border to begin their assignment of establishing an intelligence net in the Korcha area to provide material for clandestine radio broadcasts. The original effort to mount this mission was blocked by weather conditions last winter.

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• () deducted from accumulative obligations total. Reported as obligations in May for R & D items. The requisitions have since been returned by Procurement for 1953 requisition numbers and will therefore be obligated in FY 1953.

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- 2 -

c. The British Scrutiny Team was successfully infiltrated by sea into the Valona area on 24 June. An indigenous member of the BOFIEND Athens PW staff accompanied this team to execute a P/W mission. An attempt will be made to ex-filtrate an Albanian known to have collected a great deal of material useful for propaganda purposes. If the exfiltration is impossible an attempt will be made to set him up as a contact who will act as a collection point for a team which we plan to send into the same general area. The BOFIEND member of this British team has been instructed to collect documents, newspapers and currency bills to be picked up later by our team. We have been advised by the British that they plan three more sea infiltrations during the summer.

d. On 4 June an S. I. letter dated 12 May was received from the 4-man team which wintered in Yugoslavia. The letter stated that the team would enter Albania the latter part of May but would exfiltrate after a short stay there because of the difficult economic situation. Because the team will be returning to Yugoslavia frequently, we will continue to support them with CARE packages and money orders sent to a Yugoslavia letter drop. Until we have definite word that the team has returned to Yugoslavia with no further intention of entering Albania, it will be considered as actively operating within the country.

e. There was no word received during June from the Red Team, which is believed to be operating in Northern Albania.

<u>Item</u>	<u>Current No.</u>	<u>Previous No.</u>	<u>Cumulative</u>
Teams	1	1	11
Infiltrates (1 with Scrutiny)	4	76	50 49
Exfiltrates	3	0	15 16
Active (Presently in Yugoslavia)	0	4	0
Active (Presently in Albania)	11 15	11	11 15
Defected to Yugoslavia	0	0	2
Captured	0	0	4
Killed	0	0	9
Status Unknown	3	3	3

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f. There was no supply mission during the month of June.

<u>Item</u>	<u>Current No.</u>	<u>Previous No.</u>	<u>Cumulative</u>
Supply Missions	0	3	16
Supply Missions Successful	0	1	5
Total Weight	0	Unreported	4 tons plus

(2) Political

a. The National Committee for Free Albania has submitted to the joint ad hoc United Nations Economic & Security Council and the International Labor Organization Committee on Slave Labor in the satellites, their position to present testimony on slave labor conditions in Albania. Members of the NCFA are preparing a brief with supporting evidence.

On 12 June at Williamsburg, Virginia, Hasan Dosti, Chairman, and Naci Kotta, member of the Executive Committee of the NCFA, joined with representatives of nine other nations in signing the "Williamsburg Declaration of 1952", a document which pledges the restoration of human rights and political liberties when the Communist governments of these countries are overthrown.

b. Psychological Warfare - The BOFIELD covert transmitter located near Athens continued its broadcast schedule of three transmissions daily during June.

c. Publications

(1) The NCFA semi-monthly newspaper, Shqiperia, was printed in Rome on schedule and distributed.

(2) 50,000 copies of the 12th issue of the miniature edition of Shqiperia were printed in New York according to routine and sent to Athens for use in air drops over Albania.

(3) The NCFA News Bulletin, printed irregularly in Rome, published its ninth issue on 20 May.

<u>Item</u>	<u>Current No.</u>	<u>Previous No.</u>	<u>Cumulative</u>
Shqiperia (issues)	2	2	43
Miniature Shqiperia (issues)	1	1	12
Newsletter	1	1	9

- 4 -

d. No propaganda supply drops were made over Albania during June in view of the ban imposed on such operations as a result of the Soviet B/W campaign. The British, at our request, agreed to postpone for the time being a scheduled propaganda supply drop, but are pressing for reinstitution of a joint program.

<u>Item</u>	<u>Current No.</u>	<u>Previous No.</u>	<u>Cumulative</u>
Prop/Supply cans	0	0	3200
Flour Bags	0	0	1800

e. On 24 June the British dropped 500,000 leaflets in a successful raid over Albania.

<u>Item</u>	<u>Current No.</u>	<u>Previous No.</u>	<u>Cumulative</u>
Leaflet	500,000	146,000	4,358,000

f. Political Developments - King Zog advised () in Cairo that Tito's reaction to the proposals of Zog's emissary, Lutfi Satfet Tosan, had been friendly. Tito expressed the belief that it would not be easy to overthrow Hoxha and stated that he would not permit any aggression against Albania from Yugoslavia for fear of precipitating war. Zog informed () that he intended to propose to Tito, through talks between Yugoslav and Zog representatives scheduled to take place in Turkey in early June, that Tito permit Zog's agents to enter Albania from three points in Yugoslavia for preliminary operations; that Tito contribute to a joint plan to overthrow Hoxha; that the plan be cleared with the Americans; and that Tito appeal to the Americans for arms on behalf of Albania. Zog believes it essential that Tito participate in any covert plan for the liberation of Albania. A Turkish source has reported that on 7 June Dragan Obrida arrived in Istanbul with instructions from Zog to proceed with the discussions with the Yugoslavs, assisted by Tosan, Avni Deralla and Ghazi Han Bessolt. A main aim will be to arrange personal talks between Zog and representatives of Tito, preferably in Switzerland. A U.D.B.A. representative in Turkey who visited Tosan on 11 June is reported to be very displeased with the choice of Obrida and Deralla to represent Zog. Tito's other representatives had not yet arrived in Istanbul by 19 June and it was arbitrarily decided by Tosan and Bessolt that, if they had not arrived by 23 June, Tosan should again go to Belgrade to try to arrange the meeting in Switzerland between Zog and Tito's representatives. It also appears from an Istanbul report that William T. Frary, alias Baron von Blomberg, who acted as Zog's publicity agent during the King's visit to the U. S. last year, is now in Istanbul and trying to participate in these discussions.

Discussions with the British continue on the best means of accomplishing the reorganization and broadening of NCFA. It has been agreed that it should be done in two steps, with the reorganization taking place first. The British feel

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that efforts to make the Committee accept additional members at the same time as the Committee is reorganized will fail, although they have agreed to our suggestion that members of NCFA be informed that the Committee broadening problem must be dealt with immediately after the reorganization.

The Legalitet Party has published a booklet containing its political program, which calls for an "Ethnic Albania". Since such a document serves only to further aggravate the discord between political parties our representatives in Rome, in conjunction with the British representative, prepared a joint paper reprimanding the Legalitet and all other parties for present and past statements which promote disunity among the exiles. The paper pointed out to the members of the NCFA that such action is contrary to the aims and policies of the NCFA and could well bring about the ruin of the Committee.

5. Intelligence

The Yugoslav-sponsored Prizren League held its Second Congress at Prizren on May 31. Representing the more than 3,000 Albanian refugees were 300 delegates to the Congress. Dusan Mugosa, the Yugoslav official who directs the League, addressed the meeting, declaring that "Yugoslavia would always continue to oppose all attempts against the independence of Albania despite the hostile attitude of the present Albanian Government toward Yugoslavia."

(3) Economic

A member of the () Station will proceed to () immediately after 30 June to discuss economic warfare possibilities now that the () Station has been activated.

(4) Support

a. Training - W/T training of infiltration candidates continues.

b. Clearances were requested on an Albanian contact, on a ZRELOPE candidate, and on a possible addition to the Athens PW staff.

Clearances Requested

Clearances Granted

3

5

c. Recruitment - We have requested a provisional operational clearance on an Albanian speaker who will be sent to Athens to assist with interrogation and translation work when cleared and processed. In addition we have suggested to RFE the name of an Albanian now in this country who is qualified to take over the Albanian Desk at RFE.

d. Administration - () , Project Field Chief, spent three days in Rome conferring with () .

() departed on 8 June for Rome where he will be stationed on 30 days TDY to assist the BGFIEND representative there.

The EUCOM Labor Service assigned Captain Fred W. Pechin as a temporary replacement for Captain Mangally as Commander of the Albanian Guard Company. A cable sent on 25 June by the appropriate military authorities ordered Captain Mangally returned to the U. S. for reassignment immediately. A permanent replacement is now being cleared and is expected to report to the Military Personnel Division on 1 July.

C. Reactions

No report.

D. Conclusions

(1) Favorable conditions of which advantage was taken:

Negative

(2) Problems Encountered:

Although the () Station advised that they are endeavoring to procure Lak for our operational use through the Yugoslavs, they stated it would be at least another month before any success could be expected. Since the three members of the Zogist Team who infiltrated on 15 June report that Lak are desperately needed to insure success in future operations, this problem continues to be exceedingly serious.

(3) Deficiencies noted and corrective action taken:

Negative

(4) Lessons learned:

Negative

(5) Course or courses of action to be taken:

It is planned to continue to develop the project in accordance with the revised project outline, appropriate policy directives, and any new developments which relate to our operations due to the discussions being held between representatives of Tito and Zog.

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MONTHLY PROJECT STATUS REPORT FOR MONTH OF JUNE 1952

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5. PLAN <input checked="" type="checkbox"/> POLITICAL <input type="checkbox"/> ECONOMIC <input type="checkbox"/> PARAMILITARY <input type="checkbox"/> SUPPORT				
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9. NAME OF CASE OFFICER ()	ROOM NO. 2105 J	EXTENSION 612	SIGNATURE	

10. FACTS, EVALUATION AND COMMENT: (Use additional plain sheet if necessary)

A. Mission

See Section III, sub-para B.1, Part II of the Albanian Country Plan for the priority cold war task of conducting active PW in Albania, for which this sub-project was originally designed.

B. Accomplishments

The () Station received a bid of \$24,000 from the Worldwide Steamship Company of Norway for the M/V Janita, subject to drydock inspection and a satisfactory trial of the main engine. The () Station believed it possible the bid might be raised to \$25,000. Authorization to accept the bid was sent to the field and on 25 June we were advised that preliminary contracts had been signed, price \$25,000.

The bid of \$24,000, received during May was withdrawn by the prospective buyer.

C. Conclusions

Upon the conclusion of the sale of the M/V Janita the project will be formally terminated.

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